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Zahranicni Obchod.

SOVROMS IN RUMANIA

The following information, appearing in the Czechoslovak monthly periodical, Zahranicni Obchod, like others published by Communist sources outside Rumania, stresses the importance of Sovroms. Although other intelligence sources have reported rumors in Bucharest to the effect that the Sovroms were slated for dissolution, there is no indication in the following article that any such action is contemplated.

After the liberation of Rumania on 23 August 1944, the economy was badly disorganized. Only after 6 March 1945, during the tenure of the Groza government, were commercial contacts re-established with foreign countries. Foreign trade agreements were signed with Bulgaria, the USSR, Poland, Hungary, and

On 8 May 1945, several trade agreements were signed in Moscow, which outlined the basis for Soviet-Rumanian trade relations. Rumania received raw materials, machinery, and credit from the USSR. In 1945, Rumania also received automobiles and tires in exchange for petroleum products, cement, and tar paper. Additional trade agreements with the USSR assured Rumania of coke, iron ore, and special steel required by the metallurgical industry. In exchange, Rumania delivered petroleum, cement, glass, construction lumber, tar and other

Soviet credit made it possible for Rumania to stabilize her currency, to carry out currency reforms, and, in the end, to raise the level of indu rial production to 70 percent of the prewar level in June 1947 and to 95.4 percent in October of that year. Approximately 80 percent of all plants built under the plan in 1949 was equipped with Soviet machinery exclusively. Soviet aid led to the establishment of new branches of industry, such as the production of lathes, ball bearings, high-capacity generators, 150-horsepower diesel motors, petroleum industry equipment, and other items. Many tools for the petroleum industry were made by Sovrommetal, Resita, where the USSR helped with

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raw materials and equipment. For the first time in her history, Rumania began to build large ships and manufacture drugs and dyes. In addition, Rumania received thermoelectric and hydroelectric equipment, patents, descriptions of technological processes, and has access to Soviet industrial experience.

The agreement of 8 May 1945 established the Sovroms. In the case of certain Sovroms, such as Sovromtractor and Sovrommetal, the USSR contributed the necessary raw materials to fulfill the production plan. Part of the personnel consists of Soviet managers and engineers.

The following Sovroms were among the first to be established:

Sovrompetrol

This is a Soviet-Rumanian enterprise, established for the extraction and the utilization of petroleum derivatives. In 1947, this company produced 30 percent of Rumania's petroleum. In 1949, the production of crude oil increased by 4.5 percent as compared with 1948, drilling increased by nearly 42 percent, and 9.4 percent more petroleum was produced. During the first year of the Five-Year Plan, in 1951, the production of petroleum increased by 116.7 percent over 1950. In 1955, the value of total crude-oil production will reach 183 percent of the 1950 production. The USSR equipped the company with tools, metal derricks, cranes, and excavators.

Sovromtransport

This is the oldest Soviet-Rumanian mixed enterprise. It organizes and administers river and sea transportation. To carry out its task, the company (a) administers, utilizes, builds, and leases river and ocean-going ships; (b) organizes river and sea communication, passenger and cargo transportation, and administers harbor work; (c) utilizes Soviet, Rumanian, and foreign tonnage, and charters vessels according to its own needs; and (d) owns and operates docks.

The USSR contributed ships, equipment, and tools for shipbuilding.

TARS

This is the Soviet-Rumanian Airlines. This company organizes passenger and cargo transportation in international trade. Domestic air transportation is expanding. There are six domestic lines: from Bucharest to Baia Mare, Timisoara, Oradea, Iasi, Cluj, and Constanta. The USSR contributed aircraft, engines, equipment, etc.

Sovromlemn

This enterprise was established to exploit Rumanian forests. The enterprise received lumber, modern Soviet saws, vehicles, railroads, and other items. As a result of the establishment of this company, more lumber is produced and made available for export.

Sovrommetal

This is a metallurgical combine whose task it is to equip Rumanian industry with modern equipment. The company makes use of Soviet industrial and managerial experience, Soviet equipment, and Soviet raw materials. In 1951, this combine produced 6,000 tons of steel and 4,000 tons of rolled materials over and above the plan.

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Sovromcarbune

The enterprise provides 70 percent of the coal mined in the country. By 1949, coal production increased by 21.7 percent relative to 1948 and in 1950, by 10.2 percent relative to 1949. The company received Soviet equipment and technicians. As a result, Pop (fnu), the present director of the Sotanga mine, was able to have 35 tons of coal mined per shift.

Sovromgas

This enterprise was formed for the exploitation of natural gas. Formerly, methane was used only as a fuel. At present, it is a basic material in the production of such chemicals as aniline, synthetic rubber, plastics, synthetic dyes, pharmaceuticals, and other items. The company increased productivity, which in the second quarter of 1951 was 33 percent higher than during the equiv-

Sovromtractor

The enterprise manufactures agricultural machinery, KD-35 tractors, and various other important machines.

Sovromehim

The enterprise manufactures chemicals and pharmaceuticals.

Sovromconstructie

This is a very large construction enterprise, with its own planning offices.

Sovrombanc

This is a financial enterprise which follows trade relations between the two countries from the financial viewpoint.

Sovromasigurare

This is the Soviet-Rumanian insurance enterprise. It is the successor of the former Victoria Company of Berlin, which the USSR received as reparations after World War II. The company handles all types of insurance.

Sovromfilm

This enterprise imports films and insures their domestic distribution.

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